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INFO RUEHOO/CHINA POSTS COLLECTIVE  
RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC  
RUEHCN/AMCONSUL CHENGDU 3220

C O N F I D E N T I A L SECTION 01 OF 02 CHENGDU 000269

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STATE FOR EAP/CM AND EB  
NSC FOR CHRISTINA COLLINS

E.O. 12958: DECL: 11/26/2017  
TAGS: [ECON](#) [EAGR](#) [ELAB](#) [PGOV](#) [SENV](#) [SOCI](#) [CH](#)  
SUBJECT: ENVIRONMENTAL AND SOCIAL STRESSES ON THE RISE IN THREE  
GORGES

REF: A) 06 CHENGDU 1161; B) CHENGDU 0035

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CLASSIFIED BY: James Boughner, Consul General, Chengdu,  
Department of State.  
REASON: 1.4 (b), (d)

¶1. (C) Summary: The Three Gorges Reservoir area of Chongqing may be under increasing environmental and social strains. Local authorities are devoting increased attention to the problems of landslides and erosion in resettled areas and recently formed a "specialized research group" to study "geological disasters." Many resettled farmers feel they have not received the compensation they are due and complain of the three nos: "no jobs, no land, and no social benefits." Early policies of concentrating resettled farmers in urban housing projects appear to have heightened social tensions and facilitated the formation of criminal gangs. End summary.

¶2. (SBU) Congenoff and LES Economics Assistant recently traveled through the Three Gorges Reservoir Area of the Municipality of Chongqing, from the city of Chongqing to Wanzhou by rented car and then by boat from Wanzhou to Wushan.

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RISING WATER LEVELS, UNSTABLE SOILS  
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¶3. (C) Chongqing Southwestern University Assistant Professor of Geology Jiang Yongjun (strictly protect) told us Chinese authorities have in recent months been paying increased attention to the threats of landslides and geological stability in the reservoir area. A special concern is the situation of new cities built near the reservoir, where the weight of construction coupled with unstable flooded soil has caused geological stability problems. He mentioned areas of "fissuring" around and near the relocated county seat of Fengjie as being especially dramatic.

¶4. (C) (Note: In apparent confirmation of Jiang's observation, the next day we observed a large banner over the Fengjie docks, proclaiming "The China Rail Construction Group Will Contribute Greatly to the Control of Fengjie's Geological Disasters." And a statement on the Fengjie County website said that, due to its "complicated" geology, the county had experienced "geological disasters" in 529 locations as of the end of 2006, including landslides, cliff collapses, fissures, and cave-ins, and affecting transportation, infrastructure, and scenic areas. End note.)

15. (C) While he said he was not personally involved in reservoir-related research, Jiang told us the Municipality of Chongqing recently created a "specialized research group" of scholars to focus on the threat of "geological disasters." In addition, he said the Institute of Mountain Hazards and Environment Chinese Academy of Sciences (located in Chengdu) was also researching the problem. (Ref A describes a 2006 conversation with one scholar associated with that Chengdu research group.)

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RISING TENSIONS TOO  
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16. (C) Prominent labor rights attorney Zhou Litai (ref B) (strictly protect), with offices in Chongqing and Shenzhen, opened a third office in September of 2007 in Wanzhou, about four hours by car east of Chongqing. Zhou told us that unlike the Chongqing and Shenzhen offices, his Wanzhou site would emphasize cases related to the rights of the area's resettled farmers, noting that many of them had not received the benefits promised to them.

17. (C) According to Zhou, resettled farmers refer to themselves as suffering from the "three nos: no jobs, no land, no social benefits." Although Zhou expressed the opinion that the central government had allocated funds sufficient to deal with many of the farmers' material problems (especially housing and other social benefits), he also felt most of those funds had been mismanaged or diverted by local governments. He said local governments often took farmland on the outskirts of developed areas in order to resell it at a hefty profit to developers, increasing the number of displaced farmers.

18. (C) Another complication, according to Zhou, was the inability of many resettled farmers to adapt to life in new surroundings - not only factors such as dialect, food, and living conditions, but also loneliness arising from the

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disruption of extended family networks. As a result, said Zhou, many resettled farmers find ways to move back to areas closer to their original homesites, resulting in even more desperate living conditions.

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POVERTY AND CRIME  
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19. (C) Zhou arranged interviews with men he identified as resettlement clients. One man about 45 years of age told us he had farmed on the outskirts of Wanzhou before being resettled into an apartment-style housing project located in the Shuanghe Resettlement District. He told us that, with the loss of both their land and farming livelihoods, migrants' life in Shuanghe was "miserable." He claimed that initial cash payments of RMB 11,500 (USD 1500) to each resettled household had been spent quickly, and that even though the housing projects were provided with natural gas, electricity, and running water, residents did not use them, since they were too poor. He said he had collected signatures from over 300 resettled migrants on a petition he had submitted to the State Council in Beijing, complaining about living conditions and treatment by local authorities.

110. (C) Another man in his late 30s introduced himself as a resettled doctor who ran a small clinic in the Shuanghe project. He said that after he tried unsuccessfully to collect a 500RMB (USD65) debt from a local resident, a gang composed of migrants broke into his clinic and smashed his equipment, extorting 1000 RMB (USD130) in the process. He claimed that the mass resettlement of unemployed rural residents into housing projects had resulted in rampant crime, drug use, and prostitution, and local law enforcement authorities were unable or unwilling to deal with the problem.

¶11. (C) Zhou later took us to see the cluster of squalid apartment buildings that formed the Shuanghe Resettlement District, where he claimed approximately 80,000 people lived. He expressed the view that the project was an example of an early "strategic mistake" by the authorities, since concentrating so many poor, unskilled, and unemployed migrants into such a concentrated area was bound to lead to crime and discontent. He told us more than half of Wanzhou's population of over 500,000 is now composed of resettled farmers and other migrants.

¶12. (C) The downstream city of Wushan appeared somewhat more prosperous than Wanzhou, apparently due to the flow of tourists passing through on their way to the "Little Three Gorges" scenic area. Likewise, central government funds had paid for the construction of a new Communist Party training center, a high school, and a prison. However, several locals there told us of rampant crime, which they claimed had resulted in a "strike hard" campaign by law enforcement authorities in October. They said that following that campaign and the arrest of numerous gang members, the situation had improved somewhat, although a female cab driver told us that it was still unsafe for her to drive after dark. And others seemed to see the area as especially sensitive: during our visit to Wushan, our activities were carefully (and obviously) monitored by plainclothes security personnel.

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COMMENT  
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¶13. (C) Despite the numerous high-end cruise boats plying the waters of the Yangtze, the situation of many locals in the Three Gorges reservoir area appears bleak. Thick air pollution during our visit added to the air of gloom. Although the central government seems to be spending extensively on geological stabilization and infrastructure construction, the overall impression is that the area is one of the most troubled in the consular district, with social problems that will likely take years to resolve.  
BOUGHNER